

Exhibit 8

Corporate Compliance Quarterly Report to Board of Directors

February 8, 2008

Vice President, Corporate Compliance

Bert Weinstein



Agenda



- Purdue's CIA and AG Agreement
- Hotline and Other Inquiries
- Institutional Policies
- State Law Requirements
- National Sales Meeting
- 2008 Workplan

CIA and AG Agreement Status



- CIA Day 120 Implementation Report complete and timely submitted to OIG on 11/28/07
- OIG considering exclusion of Chief Legal Officer
 - Responded with plan on 12/4/07
 - No further communications to Purdue from OIG
- IRO “relationship” very good, and Workplan preparations well along
- Annual Report Submission to OIG – Due 9/29/08
- Purdue in compliance with AG Agreements
 - Abuse & Diversion Detection (ADD) training - current
 - HCP letter process - current

IRO Workplan - 1st Reporting Period



- The First Reporting Period is 7/31/07-7/30/08
- Two Transactions Reviews will cover the last six months of this period
 - Any Field Contact Reports suggesting improper promotion
 - Rep-generated inquiries related to OxyContin in Medical Services' Database
- IRO Huron will prepare a draft report for Purdue's review and comment; then finalized; we submit report to OIG
- Upcoming -Systems Reviews begin in the Second Reporting Period; Transactions Reviews continue
 - Nine Systems / SOPs - e.g., contracts with HCPs, Grants, Material Review, Discontinuation of Material, Employee Discipline

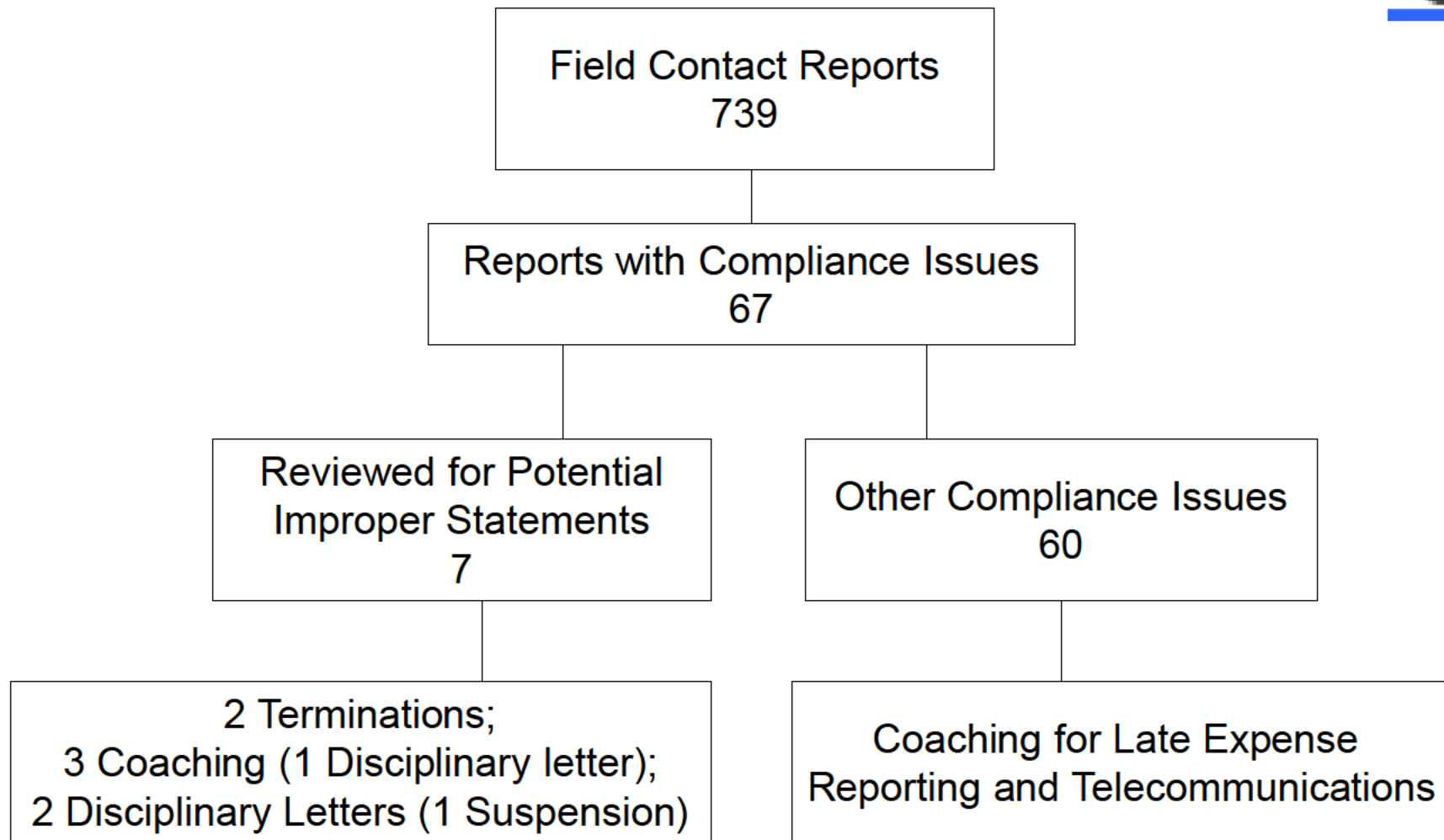
Compliance Audit Plan



Compliance Audits for 2008 focus primarily on preparation for IRO Reviews:

- Medical Services (incl. SOPs for approval and handling of requests for off-label information, and Sales Force-related Inquiries)
- Use of Materials by Field Sales (incl. processes for warehousing and discontinuing Materials)
- Material Review Process
- Discipline Database (consistent and appropriate discipline)
- Review of RCP Compensation Program
- Grants and Charitable Contributions
- Promotion Monitoring Program (Field Contact Reports)
- Sales Rep Handling of requests for information about off-label uses of products
- Medical Liaisons

CIA "FCR" Monitoring Q3-4/07



Hotline Calls and Other Inquiries 4Q07



Hotline and Other Inquiries 4Q07



- Investigated 86 inquiries in 4Q07; four had compliance implications:
 - 3 Sales & Marketing Matters – sales slide deck review process; potential “gift” to son of HCP; and rep’s personal visit with spouse to HCP in another territory raised compliance concerns
 - 1 Other Matter - Medical Services received call from a pharmacy that a rep made improper claim about OxyContin
- These four matters were all “direct” inquiries – not anonymous hotline calls
- A Call Log is maintained of all Corporate Compliance inquiries, and is available for review

Examples of non-CIA Monitoring



- **Sales Representative overdue expense reporting – *Warning***

Through routine monitoring efforts, discovered rep failed to timely enter and attribute HCP expenses, violations of Purdue policies with potential for non-compliance with state reporting laws. Written warning letter issued to rep.

- **Sales Representative submitting false reports - *Termination***

Corporate Compliance involved in termination of rep resulting from rep falsely reporting physician calls, three of which included false adverse event reports.

- **Potential inappropriate interaction with HCP - *Coaching***

A rep reported making arrangements for a well-known musician to provide a private guitar lesson to the terminally ill son of a prescriber rep called on, raising potential Anti-Kickback concerns. Corporate Compliance investigated the matter and determined “intent” element of the Anti-Kickback Statute not met. Corporate Compliance provided coaching.

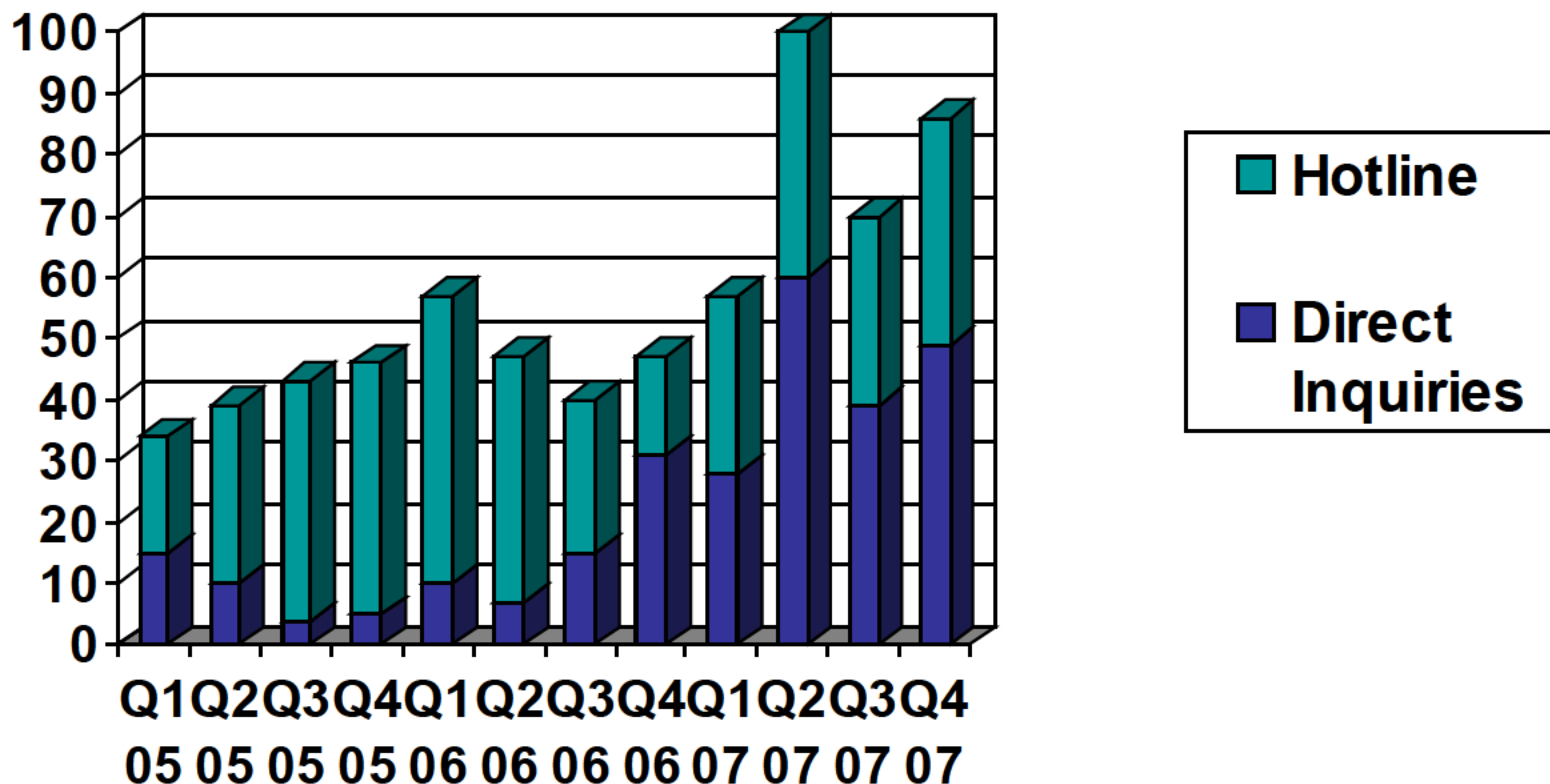
New Investigations Underway



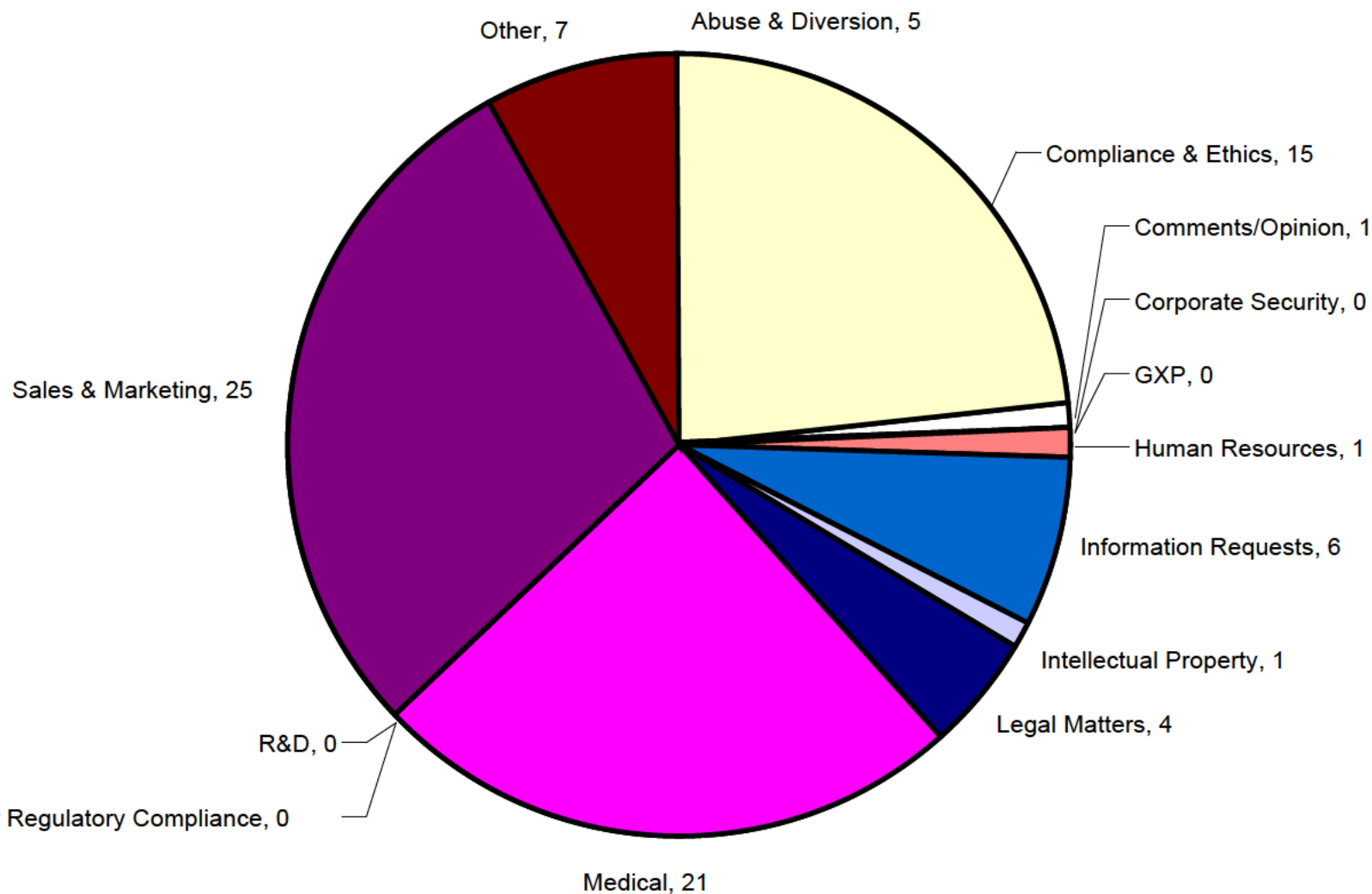
- Uniphyl batch process at Totowa – GMP-related questions raised by employee
- Reps received outdated Package Inserts from warehouse, and brought to attention of Sales management
- OxyContin Package Insert typo – error spotted after distribution to reps



Inquiries by Quarter (1Q05 – 4Q07)



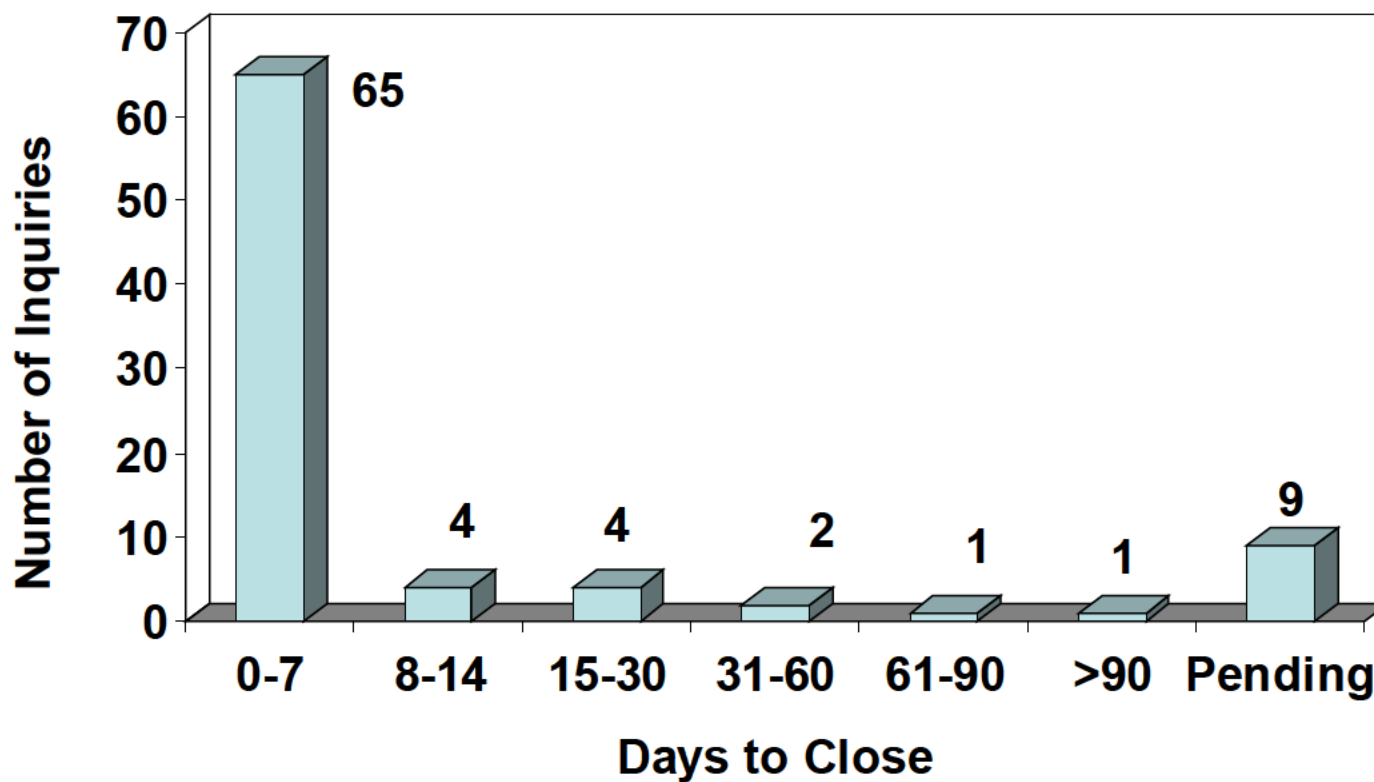
4Q07 Compliance Inquiries



Inquiry Response Time



Days to Close Inquiries 4Q07 (as of 1/25/08)



Expanding Universe of Institutional Policies

Institutional Policies – a troubling trend



- What are “Institutional Policies?”
- Two Recent examples:
 - Health Partners:
 - No office hour calls on MDs – meet on free time
 - No calling on pharmacy – advance permission required
 - St Mary’s Duluth Clinic:
 - No food, no studies, no leave-behinds
 - Not allowed in the building without an appointment
 - Mail in required to propose an appointment
- Other new rules include training and testing requirements, proof of vaccinations, payments of fees
- These requirements have been multiplying
 - internal “pharm free” movement
 - new third party business model

State Law Requirements

State Law Reporting



- 2007 Filings
 - All filings required in 2007 timely made and complete
 - No compliance issues

- Pending Legislation – federal and states
 - Prescriber Privacy Laws
 - Price Reporting
 - Clinical Trials Reporting
 - Gift/Meals Reporting
 - Marketing Cost Reporting

New State Reporting Requirements



- **DC - Safe Rx Amendment Act of 2008**
 - DC is first to require licensure of reps
 - Covered by a new Code of Ethics
 - Bachelor's in pharmacy / chemical / physical / biological science – grandfathering of reps in DC more than 12 months
 - Awaiting Congressional review; approval expected
- **Nevada – Compliance Program Law**
 - Report requires adoption of code of conduct (PhRMA), training program and investigation policy, audit of program
 - Report due 6/1/08
- **West Virginia – Marketing Disclosure Rule**
 - Anticipated legislative approval early April
 - In the interim, required to report marketing expenses pursuant to “Emergency Rule”
 - Report due 3/1/08

National Sales Meeting



Compliance Talks to Four Regions

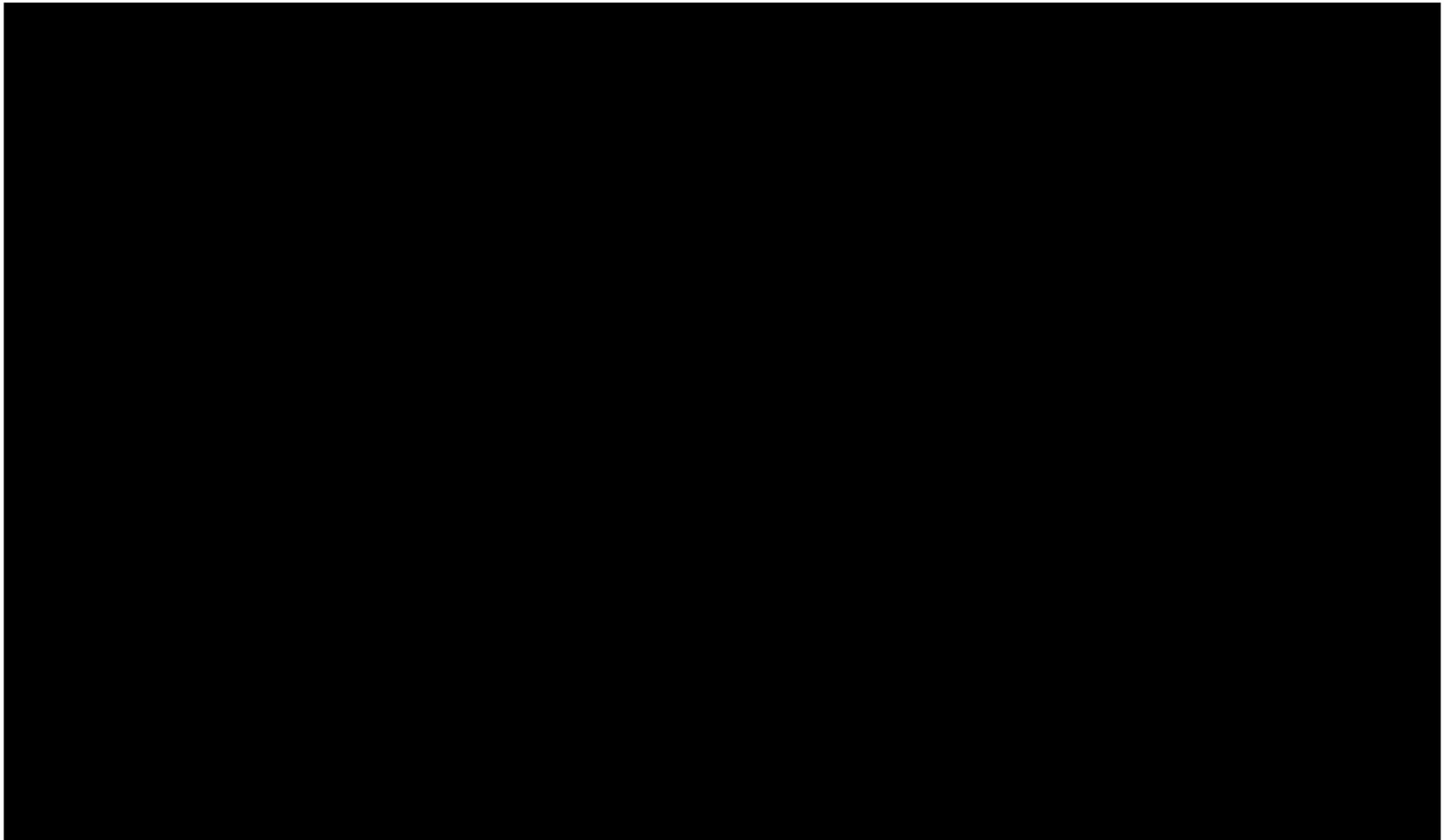


- Thanked sales teams for their commitment to compliance
 - Timely completion of CIA training
 - Professionalism in appropriate and lawful promotion
- Reinforced the importance of compliance
 - Knowledge, awareness, and application of compliance training and product information is Purdue's – and the rep's! – best defense
 - Staying focused on approved messages and materials
- Key reminders
 - Administrative tasks impact compliance
 - Adverse Events, Product Complaints, Reports of Concern, and Abuse & Diversion Detection reporting (Dilaudid, too)
 - Study compliance scenarios
 - Institutional policies for home office review
 - Changes to expense attribution policies

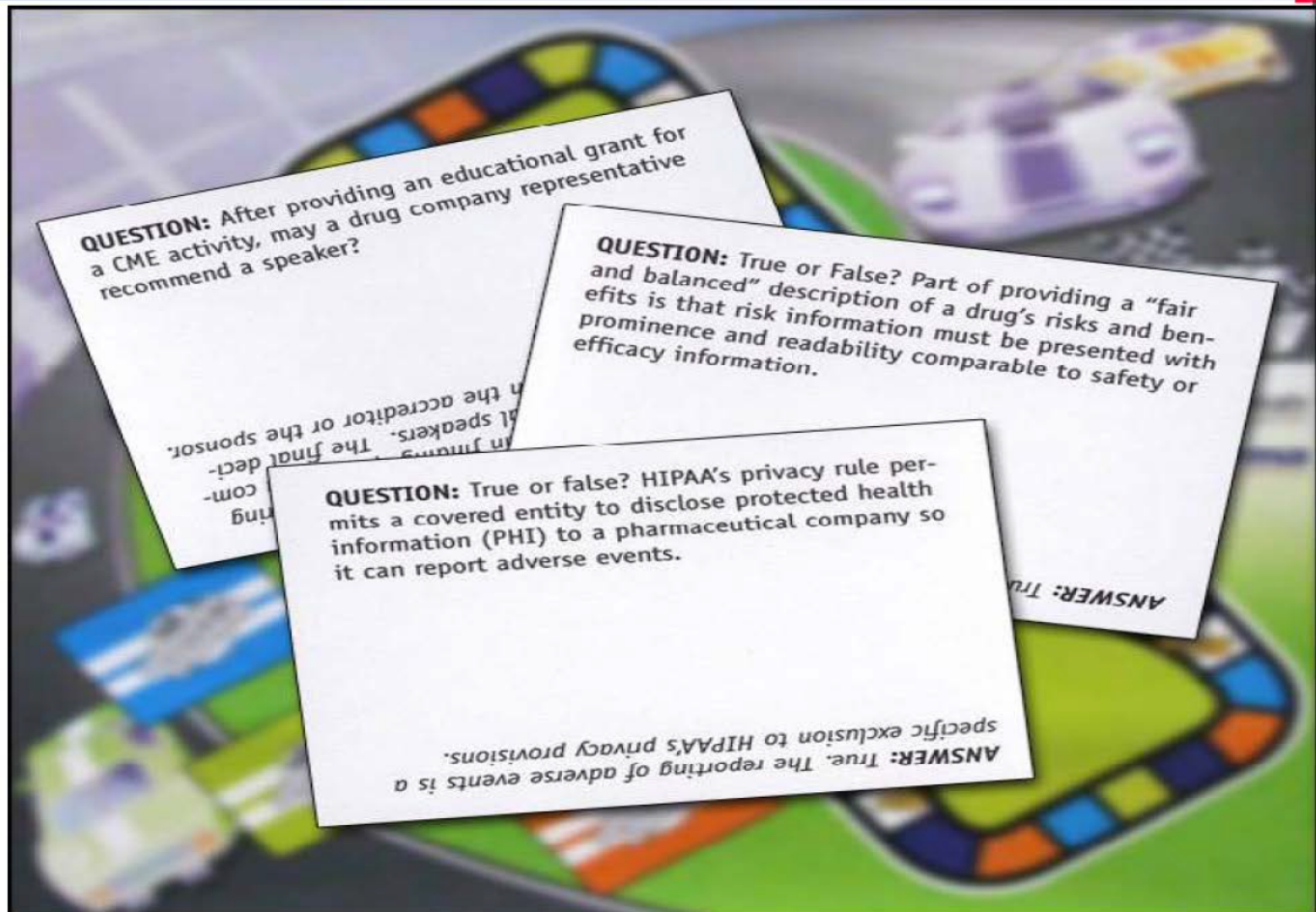
Compliance Speedway Game



The Competition was Fierce, as Districts Faced Off!



From 'Compliance Speedway'



2008 Workplan Under Development



2008 Workplan Under Development



- Compliance with CIA

2008 Workplan Under Development



- Compliance beyond the CIA is Equally Important:
 - Addressing Risks through Compliance Committees / Compliance Council
 - Sales - Monitoring of field sales call notes, expenses
 - R&D - Focusing on patient/subject safety, CRO involvement in trials, reporting of clinical trial results
 - Quality & Manufacturing – GMP, GLP
 - Auditing and monitoring
 - Based on detected weaknesses
 - Based on evaluation of compliance risk areas
 - Development of new, creative, and engaging compliance training
 - Compliance with federal, state and institutional requirements
 - Development of new Compliance Scorecard – inputs and scoring

2008 Workplan Under Development



- Sales District meetings and Representative ride-alongs
- Visibility at each Purdue site
- Weekly Grant Review Committee meetings
- Compliance Investigations
- Sales and Marketing compliance workshops; 25+ Sales Representative training programs
- Monthly meetings with CSA Compliance, EHS, Quality, etc.
- Monitoring of compliance enforcement trends, CIAs
- Communications with Employees
- Employee opinion survey, conflict of interest survey
- Industry compliance leadership roles